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22 April 1954

MEMORANDUM FOR THE RECORD

SUBJECT: Synthesis of []'s Remarks Relevant to
PBSUCCESS Made at a Meeting 21 April 1954

Present: [] and []; Messrs [, , ,]

1. [] described the general situation as having worsened beyond that described in his February report. As an example of this, he cited his belief that the Guatemalan Government is leading up to suppression of the independent press. He concluded that the usual diplomatic methods did not suffice to correct the situation and inferred that more drastic and definitive steps to overthrow the government must be taken.

2. [] commented that despite the poor situation, there were some events such as the Archbishop's letter that are definitely encouraging. He said this letter has reached the man in the street and is well received. He suggested that our propaganda not fail and to continue to exploit the letter and tie it into other opportunities.

3. The government, he said, is absolutely under control of a small Communist group and the government as a whole is moving in the direction of Communism. Such things as withdrawal of military pacts and other economic sanctions may irritate these people but will not stop them.

4. It was []'s opinion that the country is now in a receptive mood and that various groups, particularly the students, are believed to be ready to act. As an example of the atmosphere in Guatemala City, he said that most people are armed when they go to social functions and that all Latin American diplomats are armed wherever they go. [] saw little to be gained from economic sanctions and from OAS action and agreed with the view expressed that the United States would face less of an outcry if it achieved a successful coup than it would during a long trying period of sanctions which, in any case, will possibly not be effective. He did not think, moreover, that Latin American countries, with the possible exception of Mexico and the Argentine, would go after the United States following a reasonably secure coup. In connection with the consideration of economic sanctions he pointed out that in Guatemala time is running against us.

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5. He expressed the opinion that Pellecer has not split with ARBENEZ, and doubts that Pellecer will get an overseas assignment since he and GUTIERREZ, who are in fact running the country, are too important to ARBENEZ. As an example of Pellecer's current political thinking, he recommended we consult Pellecer's speech made recently at Chimaltenango. In reply to a question as to DIAZ' present position, [] stated that he had been advised that DIAZ is "out" as a result of a disagreement with ARBENEZ over the choice of the president of congress. [] is inclined to doubt this as he believes that if it were true DIAZ would have made an attempt while he was still in command.

6. With regard to the arming of labor elements [] said he did not doubt that some arms have reached the campesinos.

7. As to the attitude of the army, [] noted that there are all sorts of reports but that it is his view that the army is opportunistic and would move against the government if they thought it to be to their advantage. He said that the army is in a vulnerable position because ARBENZ could gradually remove suspected officers from key positions and replace them with others. [] concluded that time is running against us particularly with regard to the army. The political situation is worsening he believes as the other parties of the national front, while they are not Communist are falling more and more under the influence of Communist leadership.

8. In speaking of the need for action in Guatemala, [] said, "If we maintain the status quo, we shall in the end have to use 'those gallant marines.'"

9. He stated the belief that hard hitting speeches against Guatemala by personages in the United States Government could be counter-productive and would particularly alienate those non-Communist whose actions are influenced by nationalist emotions.

10. He expressed doubt as to the feasibility of the "cotton plan" and believed that the alternative plan to blow up cotton gins owned by the ARBENZ coterie would be desirable. He stated occasional sabotage of pipe lines, one or two bridges and installations in the Puerto Barrios area would cause great commotion in the country.

11. He specifically recommended a leaflet air drop on Guatemala City on May Day and suggested the leaflet material should include some reference to the Archbishop's letter.

12. In reply to the question as to whether [] is salvageable, [] replied in the negative and he suggested he be eliminated.

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13. He pointed out that some of the project's buildup phases could in themselves precipitate the fall of government.

14. Mr. [] asked [] whether he thought the project is exerting pressure on the government. [] replied in the affirmative and added that one hears about RUFUS coming back and the rumor has even set dates for such a coup such as Holy Week and now May Day. He concluded that there is in this connection considerable nervousness on the part of the government.

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